

PEKING REVIEW

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May 16, 1975

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Vice-Premier Teng Hsiao-ping Visits France

VICE-PREMIER Teng Hsiao-ping arrived in Paris on the morning of May 12 for an official visit to France at the invitation of the French Government. French Prime Minister Jacques Chirac was at the airport to welcome the Vice-Premier.

A welcoming ceremony took place at the airport. Accompanied by General Jean Faureau, Head of the Paris Military Region Command, Vice-Premier Teng Hsiao-ping and Prime Minister Jacques Chirac reviewed the guard of honour of the Republic.

Speaking in the airport's honoured guest lounge in the name of the President of the Republic of France and the French Government, Prime Minister Chirac warmly welcomed Vice-Premier Teng. He said: "Your visit bears witness to our friendly relations. It offers an opportunity to strengthen our co-operation in all fields."

"We rejoice at the conversations which you will have with Mr. President of the Republic and with myself in the days to come. These conversations will enable us to exchange views on the most important international questions and on matters concerning our two countries. I am personally convinced that these talks will prove useful and fruitful," the Prime Minister added.

In reply, Vice-Premier Teng said that he was very glad to pay an official visit to France. He continued: "Since the establishment of diplomatic relations in 1964, the ties between our two countries have been constantly developing. It is with the sincere desire to see the further development of Sino-French relations that I make this visit to your country. I am convinced that our talks will further strengthen our mutual understanding and give a new impetus to the good relations existing between our two countries.

"The French people are a great people with a glorious revolutionary tradition and a spirit of historic initiative. The Chinese people cherish deep respect and intense admiration for them. The Chinese and French peoples are linked by a traditional friendship," Vice-Premier Teng added.

Vice-Premier Teng's party which included Foreign Minister Chiao Kuan-hua arrived in Paris in the same plane.

When Vice-Premier Teng and his party left Peking, they were seen off at the airport by Chinese leaders Chang Chun-chiao, Li Hsien-nien, Chen Hsi-lien, Chi Teng-kuei and Wu Teh.

At the Banquet

French Prime Minister and Mme. Jacques Chirac gave a banquet in Paris on the evening of May 12 to warmly welcome Chinese Vice-Premier Teng Hsiao-ping. Minister of Foreign Affairs Chiao Kuan-hua and other Chinese officials accompanying the Vice-Premier on his visit attended the banquet. Chinese Ambassador to France Tseng Tao was also there.

France's Minister of Interior Michel Poniatowski, Foreign Minister Jean Sauvagnargues and other high officials were present.

Prime Minister Chirac and Vice-Premier Teng exchanged speeches, which were warmly applauded, in the brilliantly illuminated banquet hall.

In his speech, Prime Minister Chirac said: "It is Paris that you have chosen for your first official visit abroad, thus providing new evidence of our excellent relations and China's interest in France. Please rest assured, Mr. Vice-Premier, that the President of the Republic, Mr. Valéry Giscard d'Estaing, and the French

Government appreciate this act of the great Chinese people; they are fully aware of its importance and are very happy of this opportunity to exchange views on the principal questions of the world and to strengthen our co-operation."

He said: "Your presence and the visit to China of Mr. Georges Pompidou in September 1973 and the number of official visits exchanged between us are adequate proof of the quality of our relations which, in the course of the last decade, have become closer in all fields, both economic and cultural, scientific and technical. Everyone also knows that with full respect for the sovereignty of each other, we have carried out between us a dialogue both on bilateral questions and on important political questions arising from turbulent developments of the modern world.

"I see in this remarkable development of our friendly relations the manifestation of features of common character between our two peoples, the result of a similar analysis of the evolution of the contemporary world after painful experiences."

Prime Minister Chirac pointed out: "In our eyes, a feature of common character, namely, an essential quality of a people, is our mutual love for national independence. In the course of a long history of as many reverses and afflictions as victories, our two countries have long ago acquired their full maturity. They have heritages of very ancient cultures and they are proud of their past. They both are legitimately concerned about maintaining their originality in international life. They realize that they should not give way to anyone, however strong, to decide their affairs. Hence our vigilance against everything interfering in our national defence. But we also know that this will of independence, that is to say, the will to maintain its own capacity of decision, does not exclude the concern for international consultation and co-operation to which both of us attach importance."

The French Prime Minister continued: "France has closely followed the progressive but striking renaissance of modern China. She noted with sympathy that China was liberated by the surging advance of the Chinese people without any influence from external forces. So was your revolution which had been long and patiently prepared in the struggles for independence. The end of this century is the century of China which has regained control over her own destiny. We understand the very great significance of this event. Since China took on the look and acquired the force which she shows us today, the world can no longer be what it was."

"France," he went on, "has worked with confidence and tenacity for the construction of Europe and the President of the Republic, Mr. Valéry Giscard d'Estaing, is determined to advance on the road of European union, and to clear away or reduce the 'great walls' of the past which are still plentiful in our continent. He is also resolved to ensure that Europe be a Europe of its own, a Europe turning towards the world in a mission which corresponds to its vocation in history, and which has today made it turn, first of all, towards the countries that have achieved independence but are continuing the struggle for their development."

He pointed out: "We are grateful to the People's Republic of China which has, for many years, shown unequivocal sympathy for the necessary and laborious gestation of a new Europe. Today, at a time of difficulties and tests, we reaffirm our determination and confidence. In this regard, we have noted with satisfaction the words full of goodwill Mr. Chou En-lai said to Mr. Georges Pompidou on September 11, 1973. Finally, we rejoice over the latest decision of your government to send an ambassador to the European Community, which shows the importance you attach to this great enterprise."

"The time has come," he added, "when we can exchange our views very frankly on the problems involving the true independence of the peoples, the development of poor countries and the elaboration of new

international economic relations—relations which are more just because they result from consultation and not confrontation and are seen in a long-term perspective beneficial to peace."

Concluding, Prime Minister Chirac said: "Mr. Vice-Premier, please allow me to raise my glass in honour of Chairman Mao Tsetung, to the good health of Premier Chou En-lai, in your honour Mr. Vice-Premier and in honour of the friendship delegation accompanying you, to the development of relations between our two countries and to the friendship between the French and Chinese peoples."

Vice-Premier Teng began his speech by expressing profound thanks to Prime Minister and Mme. Chirac and to the French Government.

He said: "Your enthusiastic reception is testimony to the friendly relations between our two countries. In effect, since the establishment of diplomatic relations in 1964, relations between China and France have always developed satisfactorily. Our contacts in the political field have become increasingly frequent, and our economic, scientific, technological and cultural exchanges have also increased continuously. In 1973, President Georges Pompidou paid an official visit to our country, which marked a new development in relations between the two countries. The friendship, which has long existed between our two peoples, was further strengthened. Here, naturally our thoughts go back to General Charles de Gaulle, the indomitable fighter against fascist aggression and for the defence of the national independence of France, because it was he and Chairman Mao Tsetung who personally laid the new foundations of relations between our two countries. We have also observed with satisfaction that President Valéry Giscard d'Estaing and Prime Minister Chirac have expressed many times their desire to develop relations between the two countries. I must say this is also the desire of China, the common desire of our two sides. Here in your country today, I shall have the opportunity to exchange views with President Giscard d'Estaing and

Prime Minister Chirac on questions of mutual interest and explore with them the ways and means to further develop relations between the two countries. I am convinced that this will definitely contribute to the deepening of our mutual understanding."

He said: "We have great confidence in looking forward to the prospects of the relations between our two countries because there are many points in common between us. Our two countries are unswervingly defending and safeguarding our own independence, not allowing others to issue orders to us and do as they please. Although our two countries have different social systems and do not have identical positions on and the same approach to a number of questions, none of us is trying to impose his position on the other, and still less to resort to force or the threat of force. We can therefore be friends, and there are broad prospects for our relations. We maintain that the development of such relations between China and France conforms not only to the interests of our two peoples, but also to the interests of the people of the world."

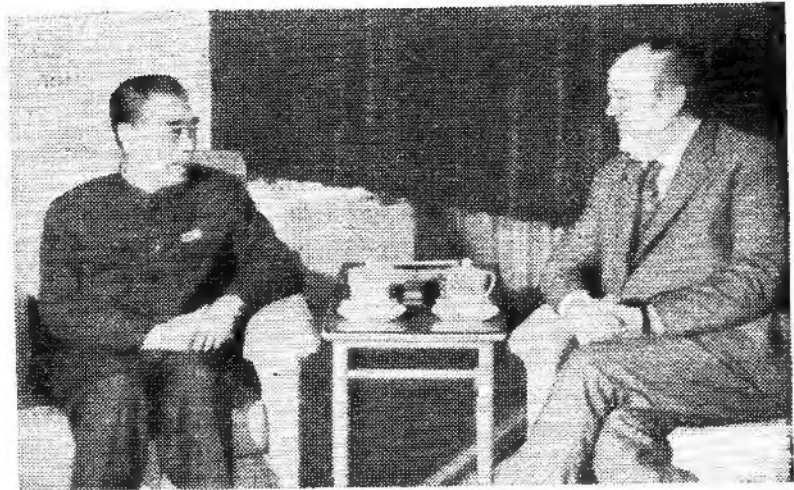
The Chinese Vice-Premier declared: "China is a developing socialist country. Under the leadership of the Communist Party of China headed by Chairman Mao Tsetung, the Chinese people, united as one, are working industriously to build a brand-new society. We have achieved successes, but we still have a long way to go. Furthermore, our country had a very weak starting point in the economic field and we have to make efforts over a long period to catch up with the advanced world level in industry and agriculture as well as in science and technology. Our policy is independence and initiative and self-reliance, and to resolutely follow our own way. At the same time, we are willing to strengthen contacts with all countries on the basis of equality and mutual benefit and to learn useful experience from others."

"At present," he added, "the general international situation is encouraging. The world is marching forward and the people are progressing. All countries in the world which refuse to

submit to aggression, control, and interference by the superpowers are fighting to win and defend national independence. Beset with difficulties at home and abroad, the superpowers are finding the going tougher and tougher. Numerous facts prove that a small country persisting in a just struggle can defeat a superpower which launches aggression and bullies it. This tendency will continue to develop in the future.

"Meanwhile, we cannot shut our eyes to the fact that our world is far from tranquil. The superpowers are contending for world hegemony by hook or by crook, and in particular their rivalry in Europe has become fiercer and fiercer, causing a steady increase in the factors making for war. This has aroused the concern of an increasing number of people. People are also well aware where the threat of war to the world and Europe mainly comes from. The European people who have gone through two world wars want peace and security, and the Chinese people can understand this perfectly. We also want a relatively favourable international environment so that we can carry on our construction. However, the trees may prefer calm but the wind will not subside; things often tend to develop independently of the will of man. While striving for a better international environment, we should be adequately alert to any sudden change in the situation, and make effective preparations. Only thus can we be invulnerable."

"The French people," he went on, "are a great people with a glorious tradition. In this century, they have carried out a heroic and unswerving struggle against foreign aggression. They deeply understand that, without national independence, the people will have nothing. At present, the French people, who do not submit to external pressure, are continuing their efforts to defend their national independence. We are glad to see that the French Government upholds the policy of independence, strengthens independent defence and calls for the union of Western Europe. We fully appreciate your position and wish you new successes in the cause of safeguarding national independence



Premier Chou En-lai meets Vice-President Soames.

and reinforcing the union of Western Europe."

He concluded his speech with a toast to the prosperity of the French Republic and happiness of its people, to the continued development of relations between China and France and friendship between the two peoples, to the health of His Excellency President Giscard d'Estaing, to the health of His Excellency Prime Minister Chirac and Mme. Chirac, and to the health of all the French friends present.

China and E.E.C. Establish Official Relations

Christopher Soames, Vice-President of the Commission of the European Economic Community, and members of his party including Edmund P. Wellenstein, Director-General for External Relations of the E.E.C. Commission, visited China from May 4 to 11.

Premier Chou En-lai and Vice-Premier Li Hsien-nien met Vice-President Soames and members of his party on separate occasions and had friendly conversations with them. Foreign Minister Chiao Kuan-hua met Vice-President Soames and his party, and the two sides had an exchange of views on a wide range of international issues and relations between China and the E.E.C. Both sides reached an agreement on the establishment of official relations between the People's Republic of

China and the E.E.C. The Chinese Government has decided to accredit a representative to the E.E.C.

At a press conference in Peking on May 8, Vice-President Soames announced that the two sides had reached an agreement on the establishment of official relations, and he made the following statement regarding the question of Taiwan: "With regard to Taiwan, the Minister of Foreign Affairs recalled China's well-known position on this matter, namely, that the Government of the People's Republic of China is the sole legal government of China and that Taiwan is an integral part of Chinese territory. He underlined the importance which they attach to it, enquired what the Community's attitude was, and in particular asked whether it had any official relations with Taiwan.

"I explained that matters such as the recognition of states did not come within the responsibility of the Community. But I pointed out to the Minister that all the member states of the Community recognize the Government of the People's Republic of China as the sole legal government of China and had taken positions with regard to the Taiwan question acceptable to the People's Republic. In conformity with these positions I confirmed that the Community for its part, as a commission spokesman stated on 30 April in Brussels, does not entertain any official relations or enter into any agreements with Taiwan."

On the evening of May 8, Vice-President Soames gave a farewell banquet. Referring to relations between the E.E.C. and China, he said in his speech: "I am proud to be associated with the first steps in the development of our new relationship which I hope and believe will be of real significance." "We in Europe salute the Chinese People's Republic. Both of our societies have recently emerged from the shadows of civil wars and wars between nations. We both look back with pride upon a long history. We both look forward confidently to the future."

In his speech at the banquet, Li Chiang, Minister of Foreign Trade, said that Mr. Soames was the first official E.E.C. representative to visit China and that his visit promoted new progress in relations between China and the E.E.C.

He said: "Since the establishment of the European Economic Community, there is a steadily growing tendency towards unity among the West European countries. Withstanding external pressure and interference, they have made continuous efforts to safeguard their sovereignty and independence. This is a positive development in the international situation."

He added: "We would like to see better relations developing between the E.E.C. and the third world countries. It is our belief that, so long as all countries that are subjected to superpower aggression, interference and control get united, they will certainly frustrate the schemes of the superpowers seeking world hegemony."

Vice-Premier Li Hsien-nien Meets Japanese Friends

Li Hsien-nien, Vice-Premier of the State Council, met and had a cordial and friendly conversation with members of three visiting Japanese delegations May 11. They were the Sixth Delegation to China of the Japanese Socialist Party with Tomomi Narita, Chairman of the Central Executive Committee of the Party, as leader and Kanji Kawasaki as Secretary-

General; the Friendly Diet Members Delegation of the "New Stream Society" of the Japanese Socialist Party with Haruo Okada as Adviser, Yoshinori Yasui as leader and Takahiro Yokomichi as Secretary-General; and the Diet Members Delegation of the Japanese Socialist Party for Japan-China Friendship with Hisao Ishino and Hosei Yoshida as Advisers and Takeshi Takeuchi as Secretary-General.

Liao Cheng-chih, President of the China-Japan Friendship Association, separately gave banquets to welcome the Japanese friends.

At the banquet welcoming the Sixth Delegation to China of the Japanese Socialist Party on the evening of May 5, Liao Cheng-chih said: At present, the Governments of China and Japan are holding negotiations on the conclusion of a China-Japan treaty of peace and friendship. As is generally known, we have repeatedly stated that the signing of this treaty should be a move forward on the basis of the joint statement of the Chinese and Japanese Governments and must not be a retreat from it. This is our unswerving position.

Tomomi Narita, leader of the delegation, said: "Conclusion of a treaty of peace and friendship at an early date on the basis of the Japan-China joint statement is a strong demand of the overwhelming majority of Japanese nationals." He said: The Japan-China joint statement is an agreement made public by the heads of the two Governments. Article seven of this statement specifies explicitly: "The normalization of relations between China and Japan is not directed against third countries. Neither of the two countries should seek hegemony in the Asia-Pacific region and each country is opposed to efforts by any other country or group of countries to establish such hegemony." This is also the principle and spirit of Japan's Constitution. He said: We would like to make our contributions to the conclusion at an early date of the peace and friendship treaty in line with this principle and spirit.

At the banquet welcoming the other two Japanese delegations on the evening of May 3, Liao Cheng-chih, Yoshinori Yasui and Toshio Kurihara made speeches. They pointed out that the present international situation is characterized by great disorder under heaven and that the two superpowers' contention for hegemony everywhere is the major cause of current world intranquillity. They expressed their determination to oppose the hegemonism of the two superpowers, make further efforts to develop and consolidate the good-neighbourly and friendly relations between China and Japan and conclude a China-Japan treaty of peace and friendship at an early date on the basis of the joint statement of the two Governments.

The Delegation of the China-Japan Friendship Association and the Sixth Delegation to China of the Japanese Socialist Party published on May 12 a joint communique signed by Liao Cheng-chih and Tomomi Narita.

P.L.A. Third Sports Meet Opens

The Third Sports Meet of the Chinese People's Liberation Army opened at the Workers' Stadium in Peking on May 11.

With a total of close to 5,000 contestants, the meet drew 20 sports delegations from various army units. It will review the army's achievements in physical culture and sports since the start of the Great Proletarian Cultural Revolution and will help promote sports in the army under the guidance of Chairman Mao's revolutionary line in physical culture and sports, strengthen army building and enhance the army's combat strength.

Attending the opening ceremony were Party and state leaders, and leading members of the P.L.A. general departments, services and arms.

Also at the opening ceremony were representatives of the army's 61 advanced units in promoting mass participation in sports who attended

(Continued on p. 12.)

Commemorating 30th Anniversary of Victory Over German Fascism

THIRTY years have elapsed since the great victory over German fascism. Thirty years ago, after a heroically-fought, hard and bitter war, the people of the Soviet Union and the people of other European countries and peoples elsewhere participating in the anti-fascist war finally and completely defeated Hitler fascism. Several months after Hitler's defeat, Japanese fascism also completely collapsed. The anti-fascist World War II thus came to a victorious end. Today, together with the other people of the world, the Chinese people commemorate this historic day — the 30th anniversary of victory over German fascism — and pay high respects to the Soviet people who have a glorious revolutionary tradition and the other peoples who took part in the anti-fascist war.

The anti-fascist war was a gigantic struggle between the world anti-fascist forces and German-Italian-Japanese fascism, a just war on a scale unprecedented in the history of mankind. The defeat of Hitler fascism was a great victory of the socialist system and Marxism-Leninism. Under the leadership of the Communist Party of the Soviet Union headed by Comrade Stalin, the Soviet people and the Soviet Red Army, who displayed lofty heroism and the revolutionary spirit in fighting bravely and unyieldingly, made outstanding contributions in the war to defeat fascist Germany and performed meritorious deeds never to be forgotten in the history of mankind. The defeat of Hitler fascism also was a great victory for the broad international anti-fascist united front, a victory shared by many countries and peoples of Europe, Asia, Africa, Oceania and America. On the European battlefields, the countries in the anti-fascist alliance co-ordinated their efforts in a common struggle. The peoples of countries such as Albania, Yugoslavia, Romania, Poland and Czechoslovakia and the peoples of the fascist-occupied European countries either persisted in armed struggle, annihilating the invaders and liberating their homeland mainly by their own efforts, or staged successful armed uprisings and liberated their land, or carried out struggle in various forms to attack the enemy from all sides, playing an important role in the anti-fascist war. The Chinese, Korean and other Asian peoples persevered in their protracted armed struggle to resist Japan and played a decisive role in the struggle to defeat Japanese fascism. All these contributions combined to form a glorious chapter in the history of the anti-fascist struggle.

Chairman Mao has pointed out: "The victory of the anti-fascist Second World War has opened up still wider

possibilities for the emancipation of the working class and the oppressed peoples of the world and has opened up still more realistic paths towards it." The history of the 30 post-war years is ample proof of the correctness of this thesis. The appearance of the world has greatly changed. The imperialist system has been struck heavier blows. Socialism has triumphed in a number of European and Asian countries. The political consciousness of the proletariat and other people of various countries is higher. The liberation struggle of the oppressed nations and oppressed peoples is sweeping the entire globe on an unprecedented scale. Many countries have won independence. Asia, Africa and Latin America are in ferment. The third world has become a revolutionary motive force propelling the wheel of world history forward, and is the main force combating imperialism, colonialism and hegemonism. As Lenin has pointed out: "Millions and hundreds of millions, in fact the overwhelming majority of the population of the globe, are now coming forward as independent, active and revolutionary factors."

But as a result of the usurpation of Party and government power by the Khrushchov-Brezhnev renegade clique, an historical retrogression has taken place in the Soviet Union, the country which so greatly contributed to the struggle to defeat German fascism. The world's first socialist state has degenerated into social-imperialism and social-fascism, the socialist bulwark which Hitler's troops in their millions were unable to conquer has been captured from within by the Khrushchov-Brezhnev renegade clique. This handful of renegades has accomplished what Hitler wanted but failed to do. The Soviet Union today is under the dictatorship of the bourgeoisie, a dictatorship of the big bourgeoisie, a dictatorship of the German fascist type, a dictatorship of the Hitler type.

Today a handful of chieftains of this Hitler-type fascist dictatorship pretends to "commemorate" the 30th anniversary of victory over Hitler Germany. These chieftains are trying to capitalize on the Soviet people's pride in the glorious history of their great Patriotic War and the feelings of respect the people of all countries have for the outstanding exploits of the Soviet army and people in the anti-fascist war. They negate Stalin's world-renowned meritorious deeds in the anti-fascist war and, with ulterior motives, laud Brezhnev instead. They ignore the contributions by the people of all countries in the anti-fascist war, styling themselves as the liberators of the European peoples. They claim the credit which rightfully belongs to the Soviet people and

the people of other countries. They use every trick to hoodwink and mislead world opinion. As the leader of the Communist Party of the Soviet Union and the Soviet people and as the supreme commander of the Soviet army, Stalin led the war as a whole and all major battles and won final victory. This objective historical reality cannot be written off. To negate Stalin's meritorious deeds in the anti-fascist war is in fact to negate the great exploits of the Soviet people and the Soviet army and nullify the socialist system under the dictatorship of the proletariat in the Soviet Union at that time. As to the banner of liberators the Soviet revisionists are flaunting, it is no more than a cover-up for their colonialist rule over a number of East European countries. Their argument is that a number of European countries which were liberated by the Soviet Union should consequently come under Soviet jurisdiction and protection. In short, by usurping the title to the victory over Hitler fascism, the Soviet revisionist renegade clique aims at covering up its ugly features as a renegade to Leninism and to the October Revolution and the Patriotic War. It does this to intensify the pursuance of social-imperialism and social-fascism in the service of its criminal goal to contend with U.S. imperialism for world domination. This is the grossest insult to the millions upon millions of Soviet martyrs who laid down their lives in the Patriotic War and to the Soviet people who performed outstanding exploits in the anti-fascist war!

From Hitler's coming to power in 1933 to his complete collapse in 1945 was only 12 years. As Stalin

said: **Hitlers come and go, but the German nation remains.** At that time, the upstart Hitler usurped state power in Germany, set up a fascist dictatorship, wildly expanded abroad, dominated almost all of Europe and then went head-on towards destruction. This process shows that those who seek hegemony inevitably arouse resistance from the peoples, find themselves besieged ring upon ring and thus court self-destruction. This is a law of historical development. The two superpowers, the Soviet Union and the United States, are now fiercely locked in contention for world hegemony. The later upstarts, the Soviet social-imperialists harbouring ambitious dreams and stretching their hands everywhere, in particular, are leaving no stone unturned in their efforts to replace the U.S. imperialists at a time when the latter are becoming increasingly vulnerable and strategically passive. They are trying to take Hitler's beaten path of world domination. However, anyone who observes history closely will find that **the wheels of history pass relentlessly over the remains of empires.** Today, the superpowers in pursuit of hegemony are utterly reactionary and weak, extremely arrogant and isolated. It can be predicted that, under the constant blows of the people of various countries in their united struggle against hegemony, the hegemony seekers will certainly meet the same fate as Hitler's Third Reich and will be consigned to the rubbish heap of history. With an irresistible force, the wheels of history of the people's revolution and national liberation are rolling ahead!

(*"Renmin Ribao" editorial, May 9*)

Sole Purpose of Mastering Marxist Theory Is to Apply It

by Tien Chun

THE movement to study the theory of the dictatorship of the proletariat is deepening throughout China. The phenomenon of reading seriously, linking theory with practice, paying more attention to investigation and study and making a point of summing up experience is prevailing in many organizations and among many comrades. Revisionism is being further criticized, and initial but significant results in the study have been obtained.

Chairman Mao has taught us: **"It is necessary to master Marxist theory and apply it, master it for the sole purpose of applying it."** This is how our current study should be conducted. While reading and studying

conscientiously and taking pains to delve into the subjects of study, we should closely link theory with practice and stress application.

Our country is now in an important period of its historical development. Our Party is leading the masses in a great struggle that is far more arduous, complicated and profound than any previous struggle. We still have to spend a very long time, make big efforts and go through a long, arduous and zigzag course in combating and preventing revisionism, consolidating the dictatorship of the proletariat and finally achieving the complete abolition of classes. This poses many theoretical and practical questions we will have to solve.

For example, why is there harmony as well as contradiction between the relations of production and the productive forces and between the superstructure and the economic base? Why is bourgeois right unavoidable and yet it must be restricted? Why cannot the commodity system, exchange through money and distribution according to work be abolished, and yet they must be prevented from giving rise to capitalism? How are the new bourgeois elements engendered? What are the new changes in class relations?

Questions like these require theoretical explanation and scientific interpretation. Unless we conscientiously and profoundly study the Marxist theory of the dictatorship of the proletariat and Chairman Mao's instructions and theses on continuing the revolution under the dictatorship of the proletariat, we cannot really get these questions clear and neither can we really understand why and how we should strengthen the all-round dictatorship of the proletariat over the bourgeoisie so as gradually to create the conditions in which it will be impossible for the bourgeoisie to exist or for a new bourgeoisie to arise and fulfil the historical mission of the proletariat. Judged by these requirements, we can say that our study has only just begun and that we still have a long way to go. High resolve and big efforts are needed to make sure that we achieve a thorough understanding on the level of integrating theory with practice.

Theory is the ideological basis for the line and policies, and the guide to revolutionary action. Only when we clearly grasp theory can we have a definite orientation in our action, distinguish Marxism from revisionism and solve all questions correctly.

The unity of theory and practice is a fundamental principle of Marxism-Leninism. We learn theory not for its own sake, but in order to combat and prevent revisionism, consolidate the dictatorship of the proletariat and continue the revolution under this dictatorship. Chairman Mao has taught us: **"Unite for one purpose, that is, the consolidation of the dictatorship of the proletariat. This must be fully achieved in every factory, village, office and school."** We must work and struggle more consciously to implement this instruction in studying the theory of the dictatorship of the proletariat.

There are some questions in both the economic base and the superstructure that must be carefully solved in the interest of strengthening the dictatorship of the proletariat. And it is for the purpose of better understanding and solving these questions that we advocate conscientious reading, linking theory with practice, undertaking investigation and study and summing up experience. Linking theory with practice to arrive at a solution of these questions will make our study go more deeply.

Questions in practical work, many of which are rather complicated, must be solved prudently. In particular, no changes should be made rashly regarding

questions of policies and systems which have been clearly defined. But prudence does not mean it is not necessary to link theory with practice. Chairman Mao has said: **"Why did Lenin speak of exercising dictatorship over the bourgeoisie? It is essential to get this question clear. Lack of clarity on this question will lead to revisionism. This should be made known to the whole nation."** Here he points out explicitly that the major question we must get clear and solve is that of combating and preventing revisionism. What we must do in real earnest is to criticize revisionism further and clear away its influences and manifestations, including the overcoming of empiricism and dogmatism. Chairman Mao has taught us: **"Dogmatism is divorced from concrete practice, while empiricism mistakes fragmentary experience for universal truth; both kinds of opportunist thinking run counter to Marxism."** (*On Coalition Government*.) Our struggle against revisionism includes overcoming these two erroneous tendencies, empiricism and dogmatism.

An important part of our struggle to combat and prevent revisionism is to resist erosion resulting from the sugar-coated bullets of the bourgeoisie, get rid of the bourgeois style of life, and carry forward the revolutionary spirit of plain living and arduous struggle. We must effectively carry on struggle-criticism-transformation in all spheres of the superstructure, support new things that help gradually narrow the three major differences between town and country, between worker and peasant and between manual and mental labour, and bring the communist spirit into play; this is of great significance for our struggle to combat and prevent revisionism and should be done at all times. At present, we should pay particular attention to summing up experience on these matters and press ahead with struggle-criticism-transformation in the superstructure. All this needs to be guided by the theory of the dictatorship of the proletariat, and we should strive to make progress through study.

Questions in practical work should be concretely analysed. In handling contradictions among the people, more ideological and political work should be done to raise the consciousness of the cadres and the masses in remoulding their world outlook.

On the basis of their theoretical study, many leading cadres have recently gone into the thick of life to conduct investigation and study, sum up experience and do their work well. Leading bodies in many organizations are working with great revolutionary drive, improving their style of leadership, firmly combating unhealthy tendencies and, by their exemplary actions, leading the masses in grasping revolution and promoting production, and the results are good. This revolutionary style of study which embodies the unity of theory and practice should be adhered to and carried forward.

(Abridged translation of an article published in "Hongqi," No. 5, 1975)

The Touchstone for Testing Genuine and Sham Marxism

by Tien Chih-sung

THROUGHOUT his long years of struggle against the revisionism of the Second International, Lenin upheld, defended and developed the Marxist theory of the dictatorship of the proletariat. He explicitly pointed out: "Those who recognize only the class struggle are not yet Marxists; they may be found to be still within the boundaries of bourgeois thinking and bourgeois politics. To confine Marxism to the doctrine of the class struggle means curtailing Marxism, distorting it, reducing it to something which is acceptable to the bourgeoisie. Only he is a Marxist who extends the recognition of the class struggle to the recognition of the dictatorship of the proletariat. This is what constitutes the most profound difference between the Marxist and the ordinary petty (as well as big) bourgeois. This is the touchstone on which the real understanding and recognition of Marxism is to be tested." (*The State and Revolution*.) When studying Chairman Mao's important instruction on the question of theory, we must conscientiously study this teaching of Lenin's and do a better job of carrying on the movement to criticize Lin Piao and Confucius, so as to combat and prevent revisionism, consolidate the dictatorship of the proletariat and prevent capitalist restoration.

Essence of the Bourgeois Theory Of Class Struggle

The theory of class struggle, Lenin pointed out, had been founded by the bourgeoisie before Marx. Long before Marxism came into being, bourgeois historians had described the historical development of class struggle and bourgeois economists had made an economic analysis of classes. In the early 19th century, bourgeois historians Thierry, Mignet, Guizot and Thiers of the restoration period in France had made it clear in their works on history that the English revolution in the 17th century and the French revolution in the 18th century were class struggles waged by the bourgeoisie against the feudal aristocracy. Taking the stand of the bourgeoisie, they denounced the feudal aristocracy's privileges and expounded the historical inevitability of the bourgeoisie overthrowing feudal rule and establishing its own political power. In the late 18th century and the early 19th century, bourgeois economists—France's physiocrat Turgot and Britain's classical economists Adam Smith and David Ricardo were their representatives—had differentiated classes in society in terms of the different sources of people's income. They pointed out that capitalist society was made up of the working class, the capitalist

class and the land-owning class. And basing themselves on an analysis of three kinds of income—wage, profit and rent—they revealed in some measure the antagonism between these three classes' economic interests and preliminarily expounded the economic root cause of class contradictions and class struggle in capitalist society.

Though of some progressive nature historically, the theory of class struggle created by bourgeois historians and economists at the end of the 18th century and at the beginning of the 19th century, however, was based on historical idealism. They did not understand that the existence of classes is bound up with and determined by particular historical phases in the development of production; they denied that it is necessary to carry out class struggle in capitalist society and that class struggle is the motive force of the historical development of human society. Thus they failed to reveal the law governing the development of class struggle. What the bourgeoisie recognizes, therefore, is no more than the class struggle it wages to oppose the feudal aristocracy and establish the dictatorship of the bourgeoisie. In the case of the class struggle waged by the proletariat against the bourgeoisie in capitalist society, the bourgeoisie may let it take place provided it does not go beyond the limits permitted by bourgeois interests. The bourgeoisie will not hesitate to resort to violence to cold-bloodedly crack down on the proletariat once the class struggle of the proletariat against the bourgeoisie harms its fundamental interests. This shows that the bourgeoisie fundamentally negates the class struggle by the proletariat to overthrow the capitalist system and denies the dictatorship of the proletariat. It is impossible for the bourgeois theory of class struggle, which is entirely in the service of preserving and consolidating the dictatorship of the bourgeoisie, to affect the capitalist system in the least. What the bourgeoisie parades as "parliamentary democracy," "freedom" and "equality" is only a fig-leaf to cover up the class essence of the dictatorship of the bourgeoisie and a drug to sap the revolutionary fighting will of the proletariat.

Marxism Holds That Class Struggle Necessarily Leads to Proletarian Dictatorship

Marxism is the scientific theory for the proletarian revolution. It represents the fundamental interests of the proletariat and differs in nature from the bourgeois theory. Marxism maintains that the existence

of classes is only bound up with particular historical phases in the development of production. That is to say, classes do not exist from all eternity, nor will they remain for ever. They have their own historical process of emergence, development and abolition. Classes as concomitants of the emergence of the private ownership of the means of production will be abolished with the advent of communist society. In a class society, the antagonistic classes are bound to be locked in life-and-death struggles as a result of their diametrically opposite political and economic interests. Class struggle as such is the motive force of the historical development of class society. This was the case with slave and feudal societies, as it is with capitalist society. In accord with the law of the development of class struggle, Marx analysed the basic contradictions in capitalist society and came to the famous conclusion that **"the class struggle necessarily leads to the dictatorship of the proletariat,"** (Marx to J. Weydemeyer.) Marxism holds that the savage exploitation of wage-labour by capital and the development of capitalist big industries gave birth to the proletariat, the greatest revolutionary class in human history. The proletariat's historical mission is not only to overthrow the rule of the bourgeoisie, but also to abolish all classes and eliminate all systems of exploitation and ultimately realize the great ideal of communism. This constitutes the necessary condition for the complete emancipation of the proletariat itself. To fulfil such a great historical mission, the proletariat must carry out a violent revolution, thoroughly smash the state machinery of the bourgeoisie, establish the dictatorship of the proletariat and use this dictatorship as a powerful weapon to carry the class struggle against the bourgeoisie through to the end and prepare the conditions for realizing communism.

Thus it can be seen that Marxism not only recognizes class struggle but also closely links it with the theory of the dictatorship of the proletariat. The Marxist theory of class struggle is an inseparable component of its theory of the dictatorship of the proletariat. For Marxists to talk about class struggle before they seize political power is aimed at explaining the inevitability and necessity of the proletariat seizing political power by force of arms and establishing the dictatorship of the proletariat; that they do the same after seizure of power is for consolidating and strengthening the dictatorship of the proletariat, carrying the socialist revolution through to the end and finally abolishing classes. The fundamental difference between Marxism and the bourgeois theory consists not in whether to recognize class struggle but in whether to recognize the dictatorship of the proletariat and recognize that class struggle necessarily leads to this dictatorship. The theory of the dictatorship of the proletariat is the quintessence of Marxism, and serves as a basic hallmark distinguishing Marxism from bourgeois theories of all descriptions. Those who only recognize the class struggle are not yet Marxists and they may be found to be still within the boundaries of bourgeois thinking and bourgeois politics. **Only he is a Marxist**

who extends the recognition of the class struggle to the recognition of the dictatorship of the proletariat.

Revisionists Betray Proletarian Dictatorship

Recognizing or opposing the dictatorship of the proletariat is a watershed between Marxism and revisionism. Being agents of the bourgeoisie within the political party of the proletariat, the revisionists flaunt the banner of Marxism to oppose the revolutionary essence of Marxism. They are renegades who betray Marxism. Their betrayal of Marxism finds concentrated expression in opposing the fundamental question of the dictatorship of the proletariat. The revisionists in the Second International represented by Kautsky distorted Marxism from an opportunist angle. Confining Marxism to the bourgeois doctrine of class struggle, Kautsky alienated the dictatorship of the proletariat from class struggle and put them in opposition to each other, preaching that the cardinal point of Marxist theory is class struggle and not the dictatorship of the proletariat. While attacking this dictatorship as "doing away with democracy" and being "arbitrary rule," he advocated "seizing state power by winning a majority in parliament," opposed violent revolution, "limits the recognition of the class struggle to the sphere of bourgeois relationships" (Lenin: *The State and Revolution*), and denied the objective inevitability of the establishment of the dictatorship of the proletariat. After the victory of the October Revolution, the self-same Kautsky who clamoured that class struggle was the cardinal point of Marxist theory made a 180 degree turn, doing his utmost to deny the existence of classes and class struggle in the Soviet Union after the October Revolution. Openly advertising the theory of the dying out of class struggle and negating the need for the proletariat to exercise dictatorship over the bourgeoisie, he babbled that the capitalists and big land-owners do not exist as classes on account of being expropriated and that they would behave themselves and obey the proletarian majority once they lost their political power. For this, Lenin denounced Kautsky as "a perfect example of petty-bourgeois distortion of Marxism and base renunciation of it in practice, while hypocritically recognizing it in words." (*The State and Revolution*.)

Taking over Kautsky's mantle, the Soviet revisionist renegade clique obliterates class struggle in the socialist period, shouting that "the dictatorship of the proletariat is no longer necessary in the Soviet Union" and publicizing the fallacy of the "state of the whole people," with which to cover up its bourgeois dictatorship and fascist dictatorship. This is a shameless wholesale betrayal of the dictatorship of the proletariat, which goes farther than that clique's revisionist forefather Kautsky. Liu Shao-chi and Lin Piao harped on the same tune, too. They did everything possible to spread such revisionist nonsense as the bourgeois theory of human nature, the theory of the dying out of class struggle and the theory of productive forces, all in opposition to the dictatorship of the proletariat. Going all out

to trumpet the doctrines of Confucius and Mencius. Lin Piao and his followers howled that "he who relies on virtue will thrive and he who relies on force will perish" and chattered away that "when two sides fight, they become enemies; when two sides live in harmony, they become friends." In doing so, they wildly opposed the struggle of the proletariat against the bourgeoisie and vainly tried to liquidate the dictatorship of the proletariat.

In their murderous *Outline of Project "571,"* a programme for staging a counter-revolutionary armed coup, Lin Piao and his gang maliciously attacked the proletarian dictatorship in China as a "feudal autocracy," while gnashing their teeth cursing the state machinery of the proletarian dictatorship as a "meat grinder." Taking up the cudgels for the handful of class enemies felled by the iron hand of the dictatorship of the proletariat, they clamoured in the programme that this handful "must be liberated politically without exception." All this shows they stopped at nothing to vent their inveterate hatred for the dictatorship of the proletariat. In a word, all revisionists, from Kautsky and the Soviet revisionist renegade clique to Liu Shao-chi and Lin Piao, share the most essential common characteristic of betraying the dictatorship of the proletariat, no matter how they switch tricks. Prior to the seizure of political power by the proletariat, the revisionists confine Marxism to the doctrine of class struggle and oppose establishing the dictatorship of the proletariat; after the seizure of political power by the proletariat, they negate class struggle and oppose the proletariat exercising dictatorship over the bourgeoisie. As Lenin said when he criticized Kautsky, "**opportunism does not extend the recognition of class struggle to what is the cardinal point, to the period of transition from capitalism to Communism, to the period of the overthrow and the complete abolition of the bourgeoisie.**" (*The State and Revolution*.) Revisionism is the sworn enemy of the dictatorship of the proletariat.

The Marxist theory of the dictatorship of the proletariat was created and has developed in the course of struggle against revisionism and all kinds of bourgeois trends of thought. Throughout the militant course they traversed in creating the theory of Marxism, Marx

and Engels always gave paramount importance to the theory of the dictatorship of the proletariat. In his struggle against the revisionism of the Second International, Lenin upheld the Marxist theory of the dictatorship of the proletariat and developed Marxism to the stage of Leninism. Leading the whole Party in carrying out struggles against revisionism at home and abroad, the great leader of the Chinese people Chairman Mao has inherited, defended and developed the theory of the dictatorship of the proletariat, put forward the theory of the continued revolution under the dictatorship of the proletariat and formulated the Party's basic line for the entire historical period of socialism. Since the birth of New China, Chairman Mao has initiated and led a series of political movements, especially the Great Proletarian Cultural Revolution and the movement to criticize Lin Piao and Confucius, thus solving, both in theory and practice, the problem of how to consolidate the dictatorship of the proletariat and prevent capitalist restoration.

The historical experience of the international communist movement and the struggle between the two lines in the Party tells us: The question of the dictatorship of the proletariat has always been the focus of struggle between Marxism and revisionism and recognizing or opposing this dictatorship is the touchstone for testing genuine and sham Marxism. Only those who recognize the dictatorship of the proletariat are true Marxists. For Communist Party members and revolutionaries, to uphold the dictatorship of the proletariat calls for understanding the theory of Marxism-Leninism-Mao Tsetung Thought on the dictatorship of the proletariat; and to grasp this theory requires our conscientiously studying it well. Chairman Mao recently pointed out: "**Why did Lenin speak of exercising dictatorship over the bourgeoisie? It is essential to get this question clear. Lack of clarity on this question will lead to revisionism. This should be made known to the whole nation.**" Acting on this teaching of Chairman Mao's, the Chinese people are now earnestly studying the theory of the dictatorship of the proletariat, so as to increase their ability to distinguish genuine from sham Marxism and persist in carrying the continued revolution under the dictatorship of the proletariat through to the end.

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the sports meet to exchange experience.

Military attaches of the embassies of various countries in Peking and their wives also attended by invitation.

The Workers' Stadium was beautifully decorated with red banners. A huge portrait of Chairman Mao, flanked by five-star national flags, was on the backdrop of the rostrum. In and around the stadium there

were huge streamers inscribed with slogans: "Conscientiously study Chairman Mao's important instruction on the question of theory [i.e., theory on the dictatorship of the proletariat!]" "Promote physical culture and sports and build up the people's health!" and "Friendship first, competition second!" The 70,000 spectators at the ceremony were P.L.A. commanders and fighters stationed in Peking, and workers, students and office workers in the capital.

Chen Hsi-lien, Vice-Premier of the State Council and responsible member of the Military Commission of the C.P.C. Central Committee, delivered the opening speech. A representative of the army's advanced units in the promotion of mass participation in sports and a representative of the contestants spoke at the opening ceremony.

Their speeches were followed by spectacular exhibitions of military drill and mass calisthenics.

Bourgeois Scholars on Classes And Class Struggle

IN his March 5, 1852 letter to J. Weydemeyer, Marx said: "Long before me bourgeois historians had described the historical development of this class struggle and bourgeois economists the economic anatomy of the classes."

Descriptions by Bourgeois Historians

The bourgeois historians Marx referred to were mainly Guizot, Thierry and Mignet at the time of the Bourbon restoration in France after Napoleon's overthrow. To meet the needs of the struggle waged by the bourgeoisie against the feudal land-owning class in the early 19th century, they described the historical development of class struggle from a bourgeois slant. While recognizing the existence of class struggle and the right of the third estate to overthrow the feudal aristocracy, they denied the contradictions within the third estate and the necessity for the proletariat to struggle against the bourgeoisie. Among their main works were *History of the English Revolution*, *History of Civilization in Europe* and *History of Civilization in France* by Guizot, *Ten Years of Historical Studies*, *Essay on the History of the Formation and Progress of the Third Estate* and *History of the Conquest of England by the Normans* by Thierry and *History of the French Revolution* by Mignet.

Guizot, after making a study of the era after the fall of the Roman Empire, declared that agrarian relations were the foundation of history. He said: "In order to understand political institutions, we must study the various strata existing in society and their mutual relationships. In order to understand these various social strata, we must know the nature and the relations of landed property." "The forms of government," in his view, were determined by the "civil condition of men" and property relations were the cause of class struggle. Although he enthusiastically approved of the class struggle by the bourgeoisie against the feudal aristocracy, he was mortally afraid of the class struggle waged by the proletariat against the bourgeoisie. After the June Uprising by the Paris proletariat in 1848, Guizot wrote in *On Democracy*: Domestic peace, peace among the citizenry of the various classes and social peace! This is the most pressing demand in France, this is the voice of salvation! Doing his utmost to prove that all existing

classes in France were natural and deeply rooted elements in French society, he aimed at creating a theoretical basis for liquidating the struggle of the proletariat against the bourgeoisie.

Thierry described the history of the English revolutions as a history of the struggle by the bourgeoisie against the nobility. He said: During the first bourgeois revolution in England in the 17th century, "the armies were gathering, one in the name of *idleness and authority*, the other in the name of *labour and liberty*. All idlers, whatever their origin, all those who sought in life only enjoyment, secured without labour, rallied under the royal banner, defending interests similar to their own interests; and on the contrary, those of the descendants of the former conquerors who were then engaged in industry joined the party of the Commons." Perceiving that the struggle in England between those belonging to the Presbyterian faith and those belonging to the Catholic faith was a struggle carried out by political parties for the various classes' interests concerning their property, he wrote: "On both sides the war was waged for positive interests. Everything else was external or a pretext."

Similarly, Thierry also opposed the struggle of the proletariat against the bourgeoisie. As he saw it, the class interests of the proletariat were narrow, while those of the third estate were broad; this was because the third estate embraced the entire nation except the nobility and clergy. He held that the consequences arising from the class struggle of the bourgeoisie were good, while the struggle of the proletariat against the bourgeoisie completely wrecked social security. Marx made an excellent exposure and criticism of this viewpoint of Thierry's when he said in his letter to Engels: "It is remarkable how indignant this gentleman — the father of the 'class struggle' in French historiography — waxes in his preface at the 'new people,' who now see an antagonism between the bourgeoisie and the proletariat, and who claim to detect traces of this antagonism even in the history of the third estate before 1789. He is at great pains to prove that the third estate includes all social ranks and estates except the nobility and clergy, and that the bourgeoisie plays its part as the representative of all these other elements."

Analysing the cause of the French Revolution of 1789, Mignet concluded that it lay in the different

material interests of the various classes in society. In expounding the fact that the struggles between various kinds of political parties during the revolution gave expression to the contradictions among various class interests, he said: The interests of the aristocracy were opposed to those of the national party. And the nobles and high clergy who made up the Right in the Assembly were always against this party except for a few days of high excitement. He held that the entire history of the French revolutions served to explain the formula of the progress of civilized society — changes attack interests, interests form parties and parties start fighting. Hostile to the revolutionary actions of the Paris Commune, Mignet slandered the struggle of the small handicraftsmen, apprentices and workers against the bourgeoisie as reckless actions by the commoners. This fully revealed his bourgeois stand.

Analyses of Classes by Bourgeois Economists

The bourgeois economists referred to by Marx were mainly France's physiocrat Turgot and Britain's classical economists Adam Smith and David Ricardo. Turgot maintained that agricultural labour alone was the source of all wealth and was the natural basis and pre-condition for the independent pursuit of all other forms of labour. His main work was *Reflections on the Formation and Distribution of Riches*. Smith and Ricardo founded and brought to completion the system of classical political economy in Britain. Adam Smith, whose main work was *An Inquiry Into the Nature and Causes of the Wealth of Nations*, for the first time systematically elucidated the essential contents of political economy. David Ricardo dwelt on the main scope of political economy, but he did not have a clear understanding of the dual character of labour, confused value with cost-prices and labour-power with labour and failed to reveal the essence of surplus-value. His main work was *The Principles of Political Economy and Taxation*.

Before Turgot, the founder of physiocracy Quesnay divided classes in society into three categories, namely, the productive class, the class of land-owners and the sterile class. Physiocrats held that agricultural labour was the natural basis and pre-condition for the independent pursuit of all other forms of labour, so agricultural producers alone were of the productive class while industrial producers were not. With a better understanding of the class structure of capitalist society, Turgot accepted and supplemented Quesnay's viewpoint. He divided the productive class into agricultural workers and agricultural capitalists and the sterile class into workers and industrial capitalists, on the basis of which he explained what a capitalist was and what a wage-worker was. He said that the manufacturing entrepreneurs and master craftsmen, all owners of considerable capital, turned it to value by means of advance payments to make others work. He regarded a wage-worker as "the mere workman who has only his hands and his industry, has nothing unless he succeeds in selling his labour to others."

Taking a big step forward on the question of class differentiation as compared with the physiocrats, Adam Smith, for the first time in the history of political economy, described in a fairly correct manner the class structure of capitalist society. He held that, in a civilized society, land-owners, workers and capitalists were the three basic classes making up society. He made a distinction between three kinds of basic income, i.e., rent, wage and profit, which corresponded to the three classes. These three kinds of income made up the total national income, while all other income was eventually derived from the income of the three basic classes. Adam Smith held that of the three kinds of basic income in capitalist society, wage alone was income from labour. Proceeding from the concept that value was determined by the labour consumed, he held that profit was the value created by wage-workers through unpaid labour. He regarded profit as resulting from the separation of producers directly participating in production from their conditions of labour and resulting from the opposition between the conditions of labour as capital and labourers, and held that the source of profit was the excess of the value created by workers' labour over and above the part of the value which paid his wage. Hence Marx pointed out: "He [Adam Smith] has recognized the true origin of surplus-value." (*Theories of Surplus-Value*.)

Like Smith, Ricardo pointed out that capitalist society was composed of the working class, capitalist class and land-owning class and that wage, profit and rent were the three kinds of basic income. Taking the stand of the bourgeoisie, Ricardo on the one hand regarded capitalist relations as the only rational and eternal natural relations and on the other could not but admit that the capitalist mode of production was based on the confrontation of the various class interests. He dealt with the relations between rent, profit and wage. In his eyes, the lower the rent and wage, the higher the profit; anything that causes a wage increase from labour tends to lower the profit of capital.

Speaking of Ricardo's making the value of labour the basis for understanding the intrinsic relations in the capitalist mode of production, Marx said: "Closely bound up with this scientific merit is the fact that Ricardo exposes and describes the economic contradiction between the classes — as shown by the intrinsic relations — and that consequently political economy perceives, discovers the root of the historical struggle and development." (*Theories of Surplus-Value*.)

Why Could Bourgeois Scholars Recognize Class Struggle?

Towards the end of feudal society and for a period after the birth of capitalist society, the bourgeoisie engaged in prolonged and fierce struggles to destroy the feudal relations of production and the reactionary rule of the feudal land-owning class, suppress the resistance and restorationist activities of the overthrown land-

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Long-Term Balance in Revenue And Expenditure

by Hsia Wei

This is the second of three articles explaining why there is no inflation in China. The first appeared in our last issue. — Ed.

UNDER the guidance of Chairman Mao's revolutionary line, socialist China has kept its revenue and expenditure in balance for a long time. Old China left a poor legacy—an empty treasury, inflation and financial and economic bankruptcy. This was radically changed in only two or three years after the founding of the People's Republic of China in 1949. New China rapidly restored production, balanced its revenue and expenditure and brought about a fundamental turn for the better in the state's financial and economic situation. In the more than two decades that followed, both revenue and expenditure have shown enormous increases and have been balanced with a slight surplus for a long time. China now has neither domestic nor foreign debts. Production and construction funds have been steadily increased and the state's reserves tremendously strengthened.

Maintaining Independence and Keeping The Initiative in Our Own Hands

Imperialism, feudalism and bureaucrat-capitalism had long sucked the blood of the Chinese people in old China. This had been the fundamental reason for the production recession, miserable livelihood of the people, ever-growing deficits in state finances and soaring inflation. Since the middle of the 19th century, imperialist countries had launched many wars of aggression against China. Take the Sino-Japanese War of 1894 and the invasion of the "eight-nation allied army" in 1900 for instance. The war indemnities paid to the aggressors by China after the two wars amounted to 20,000 tons of silver. As to the wealth plundered by imperialists through dumping commodities, capital exports, unequal tariffs and other methods, that came to figures too huge even to calculate. In the 22 years between 1927 and 1949, the four big families of Chiang Kai-shek, T.V. Soong, H.H. Kung and Chen Li-fu alone—who belonged to the bureaucrat-comprador class dependent on imperialism—accumulated more than 15,000 tons of gold. Another pillar supporting imperialist rule in China was the feudal landlord class which squeezed land rent from the peasants amounting to over 35 million tons of grain every year before 1949,

Economic recession and depleted financial resources plus graft and waste and the counter-revolutionary civil war set off by the reactionary ruling classes in old China caused inevitable deficits in state finances for years on end. The reactionary Kuomintang government's financial deficit in 1936 was 74 times as high as in 1927. And deficits generally accounted for more than 70 per cent of the annual budget from 1937 to 1947.

The system of ownership has changed since the founding of New China. We have abolished all imperialist privileges in China, taken over and put under control imperialist banks and enterprises in the country, eliminated bureaucrat-capitalist and feudal ownership, gradually transformed national capitalist ownership and ownership by individual labourers, and replaced them with socialist ownership by the whole people and socialist collective ownership by the working people. Consequently, imperialism and the domestic exploiting classes can no longer oppress and exploit the Chinese people and China has taken the road of independence and self-reliance politically and economically. This has created the prerequisites for the rapid development of the national economy, the continual increase of revenue and the accumulation of funds for socialist construction by relying on our own resources.

China's finances entered an entirely new period of development after liberation. The main feature of this change is the replacement of financial deficit by balanced revenue and expenditure. Soon after the founding of the People's Republic of China, Chairman Mao pointed out the need to consolidate the balance in revenue and expenditure and at the same time stressed that attention should be paid to the three key links for consolidating finance—increasing production, practising economy and putting aside more reserves. Our practice in the last 20 years or so has proved the absolute correctness of this instruction of Chairman Mao's.

Developing Production

Chairman Mao has said: "To increase our revenue by developing the economy is a basic principle of our financial policy." (*Our Economic Policy*.) According to this principle, increasing production is the first link in consolidating the balance in revenue and expenditure. Our revenue has now increased more than ten-



A view of the Taching Oilfield.

fold compared with the early post-liberation days. Revenue from state enterprises has risen from 34.1 per cent of the total shortly after liberation to about 90 per cent at present. This is a result of implementing this principle.

Agriculture is the foundation of the national economy. Soon after the land reform in the countryside after liberation, the Party led the hundreds of millions of peasants to organize mutual-aid teams which later developed into co-operatives and then people's communes. By turning to account the advantages of the socialist collective economy and unfolding the mass movement to learn from the Tachai Brigade, national pace-setter in agriculture, the peasants have battled the elements, changed production conditions and increased the ability to combat natural calamities and thus steadily raised farm production. Since liberation output of grain has risen 2.4-fold, cotton 5.7-fold, oil- and sugar-bearing crops, bast fibre crops and tobacco doubled or more than doubled; and forestry, stock-breeding, side-line occupations and fisheries also have made big advances. All this provides a growing supply of raw materials for light industry and an ample supply of commodities for the market, thus ensuring funds for state construction.

In collecting agricultural tax, China carries out a policy of not raising the amount of tax when farm yields go up. Our country has had rich harvests for 13 successive years. Agricultural tax now accounts for 5 per cent of the actual yields as against 12 per cent in 1952, and makes up only a small portion of the total revenue.

Chinese industry also has made big progress on the basis of rapid agricultural growth. Apart from an in-

significant colonial and semi-colonial light industry in the coastal areas, old China had practically no heavy industry. We have built and developed since liberation metallurgical, petroleum, coal, machine-building, chemical and building material industries and developed light industry. Industry has shown fairly big increases especially since the start of the Great Cultural Revolution. Gross industrial output in 1974 was 2.9 times that of 1964, and output of major products went up by big margins. State enterprises have been providing the state with more and more accumulation. Accumulation provided by state industrial enterprises increased more than tenfold in 1974 compared with 1952.

While building new industrial enterprises, special attention is paid to developing the workers' creativeness, strengthening the technical transformation of existing enterprises and continuously raising their productive capacities. A great part of the yearly increases in state revenue is provided by the existing enterprises through tapping their potential or through expanded reproduction. The Taching Oilfield, national advanced model on the industrial front, is an outstanding example. Since it was put into operation in the early 1960s, the oilfield has actively unfolded a mass campaign to introduce technical innovations, with the result that output of crude oil has increased by big margins every year. The Taching Oilfield today is five times what it was before the Great Cultural Revolution started in 1966. For more than the last decade it has accumulated huge funds for the state, amounting to more than ten times what the state invested in the oilfield.

In existence for nearly 100 years, the Kailan Coal Mine is an old mine. But after the start of the Great Cultural Revolution, the workers and staff members criticized such fallacious ideas as "output having reached its peak" and made technical innovations to transform the old pits. More than 3,600 technical innovations have been adopted since 1970. Coal output in 1974 nearly doubled the designed productive capacity and Kailan thus has made new contributions to accumulating construction funds for the state.

Practising Strict Economy

Practising economy is one of the fundamental principles of socialist economy as well as another important link in consolidating the balance in revenue and expenditure. Chairman Mao pointed out in 1957: "To

make China rich and strong needs several decades of intense effort, which will include, among other things, the effort to practise strict economy and combat waste, i.e., the policy of building up our country through diligence and frugality." (*On the Correct Handling of Contradictions Among the People*.) Following this principle, it is necessary to persist in rationally arranging financial expenditure. In working out an annual budget, revenue and expenditure have to be balanced and a deficit budget is impermissible. In the course of implementing the budget we must make efforts to advocate economy in all aspects and guard against waste so as to do more things with less money.

In the allocation and use of financial funds, we must first ensure the needs of large-scale economic construction and actively support the growth of industrial and farm production. Annual state appropriations for capital construction at present are several times the total annual revenue in the early post-liberation days. In the decade between 1964 and 1974, the nation built more than 1,100 big and medium-sized projects. Many units undertaking capital construction not only did careful designing and construction but practised strict economy through careful calculation. It took less than ten months from designing the Shanghai Minhang Power Plant to its commission. Designing, construction and power generation were all completed within a year. Commissioning was completed six months ahead of schedule and more than 10 million yuan in investment were saved.

State enterprises carry out the principle of "running enterprises with diligence and frugality." Relying on the workers, many plants and mines have scored remarkable results in strengthening business accounting and saving on raw and other materials and expenditures. In 1974 alone the nation saved more than 10 million tons of coal, over 1.6 million tons of fuel oil, more than 5,000 million kwh. of electricity, more than 700,000 tons of rolled steel and over 2 million cubic metres of timber. The Peking Power Plant and the Peking Printing and Dyeing Mill are neighbours. After six months of arduous work, the workers succeeded in conducting the plant's surplus heat to the mill. As a result the mill saved the state more than 50,000 tons of coal used for the boilers and more than 2 million kwh. of power last year. Because it had let out the surplus heat in time, the plant produced over 36 million kwh. more power last year.

In order to turn more funds to production and construction, the state has strict financial regulations on non-productive expenditures. For instance, it strictly controls the building of offices, auditoriums, guest houses and reception houses; in particular, it controls the social purchasing power of government organs, army units and enterprises through various links.

Practising strict economy and building up the country diligently and frugally not only enables us to do more things with less money but is of great significance in carrying forward the revolutionary tradition

of hard work and resisting corruption by bourgeois ideas.

Putting Aside More Reserves

An important link ensuring the long-term balance in revenue and expenditure in our country is building up necessary reserves in state finances.

In arranging the budget every year, we always put aside a big amount of reserves to meet unexpected expenditures in the course of implementing the budget. In case of serious natural calamities, for example, additional expenditures by the state will be necessary. Our budget is decided according to the needs of socialist construction and the possibility of state financial resources and therefore generally reflects the objective reality at the time. But balance is relative and imbalance is absolute in the development of things; cases of new imbalance often appear in the course of implementation. To turn imbalance into balance calls for adjustments in the plan. In the process of making adjustments it is necessary sometimes for the state to add some new expenditures. State financial reserves should be built up to meet the above-mentioned unplanned expenditures so as to prevent newly increased expenditures from affecting the balance in revenue and expenditure.

China's financial reserves consist of three parts. First, the state puts aside a certain proportion of the budget as general reserves while drafting the annual budget. For instance, general reserves made up 3.42 per cent of the budgetary expenditure in the 1955 state budget and 2.57 per cent in the 1956 state budget. Similar percentages have been kept for general reserves in other years too. Financial departments of the central and local authorities all have their own reserves. In case of unexpected need, the various localities first use their own reserves, and if they are still unable to cover the expenses, they will be helped by central reserves. Second, there generally are some surpluses after the state budget has been implemented. These accumulations over the years are generally not used. Third, our rapid economic development and continuous expansion of state financial power enable the state gradually to hold more and more commodities and stocks of other materials. These also actually constitute the financial reserves of the state.

Hit by economic instability and inflation, the capitalist world is caught in ever-worsening financial and economic crises. Our economy, on the contrary, has been solidly advancing and prospering, prices and the value of Renminbi have remained stable and revenue and expenditure have been balanced for a long time. This fully shows the superiority of the socialist system. Going ahead along Chairman Mao's revolutionary line, we will continue to consolidate the balance in revenue and expenditure and create the conditions for building China into a powerful modern socialist country before the end of the century.

Soviet Working People's Plight Under Revisionist Clique's Rule

A BASIC change has taken place in the nature of the state since the Soviet party and state power was usurped, first by the Khrushchov group and then by the Brezhnev clique. From a state of the dictatorship of the proletariat, it has degenerated into one ruled by the monopoly bureaucrat-capitalist class.

At the time of Lenin and Stalin, all Soviet national income, including those portions for accumulation and those for consumption, belonged to the people and was used for the people's benefit.

At present, however, the vital lifelines of the Soviet economy are in the hands of the monopoly bureaucrat-capitalist class and a large part of Soviet national income is used to step up the fascist rule, finance armaments expansion and war preparations, support the luxurious life of the privileged group at the top and add more capital to exact more surplus-value for them.

In view of this situation, it can be said that profits gained in enterprises in the Soviet Union today and those exacted in tsarist Russia and other imperialist countries are in essence identical. The Soviet monopoly bureaucrat-capitalist class is far more ruthless in exploiting the Soviet working people than were the capitalists in tsarist Russia. Statistics show that while in 1908 the rate of exploitation in Russian industry was about 100 per cent, in 1973 the Soviet exploitation rate in this sector was as high as 200 per cent.

The So-Called "Shchekino Experience"

The Soviet monopoly bureaucrat-capitalist class has constantly increased labour intensity in order to exact as much surplus-value as possible from the working people. At the 15th Congress of the Soviet Trade Unions in March 1972, Brezhnev exhorted Soviet workers to engage in "strained and conscientious work." The Soviet revisionists have made arrangements in recent years for the "scientific organization of labour" in industry and disseminated the so-called "Shchekino experience" in a big way, thus increasing the workers' labour intensity.

What does this "scientific organization of labour" mean? As Lenin pointed out in exposing the "scientific system" used by capitalists to step up exploitation of the workers, "It is sweating in strict accordance with all the precepts of science" and is "three times faster

in sucking out every drop of the wage slave's nervous and physical energy." The Soviet magazine *Socialist Labour* disclosed that during the period of 1966 to 1970 over one million measures on "scientific organization of labour" were put into practice in industry with resultant big "savings" in "wage funds" for the Soviet revisionist authorities. Through the use of such "scientific" methods for squeezing labour out of the workers, the physical and mental health of many was damaged and accidents in production increased greatly.

The "Shchekino experience" is one gained by the Shchekino Chemical Combine in squeezing more surplus-value out of the workers by dismissing a part of its workers and raising the labour intensity of those remaining. As Marx penetratingly pointed out: "It is the constant aim of capitalist production to produce a maximum of surplus-value or surplus-product with the minimum capital outlay."

The Soviet publication *Trud* revealed that in the 292 enterprises in the Russian Federative Republic alone which were "following the Shchekino example," 70,000 people had been cut from the labour force by July 1, 1973. Most of the sacking was directly or indirectly related to raising labour intensity. By simplifying the types of work and expanding its scope and encouraging workers to do different kinds of jobs, the Soviet revisionists are able to squeeze several times more surplus-value from a worker than before in exchange for minimum wage increases. The Soviet journal *Communist*, No. 11, 1974 disclosed that every ruble paid to the workers in the Akksaisk Plastics Plant in bonus rewards for higher productivity produces a profit of 18 rubles and 60 kopecks.

Inhabitant's Tax Increased

In addition to exacting surplus-value in quantity from the Soviet working people, the Soviet monopoly bureaucrat-capitalist class exploits them through the inhabitant's tax. According to material in the Soviet revisionists' own publications, this tax in the Soviet Union has been steadily increased over the last 10 years or more. The total collected in 1960 amounted to 5,600 million rubles; it rose to 16,700 million rubles in 1974, an increase of some 200 per cent. The 1973 *Yearbook of Soviet National Economic Statistics* shows that in 1973, the inhabitant's tax paid by a worker's family represented more than 11 per cent of the family's combined wages.

Lenin pointed out: "The formation of a reserve army of unemployed is characteristic of capitalism" and "a surplus population is formed in all industries into which capitalism penetrates." Today, even the Soviet press has to admit "there is a surplus of labour power in some areas" of the Soviet Union, and "residents' employment has already become a problem." "A large reserve army of labour power has emerged" in the Kurgan Region, and as a result of their failure to find work in their own region, the unemployed "have to leave their homes" to go job-hunting elsewhere.

Those in charge of enterprises in the Soviet Union today can lay off workers at will and a large number "leave work voluntarily" because they are unable to put up with the bad working conditions. This has created a serious fluidity of manpower with workers virtually thrown into unemployment when they roam from place to place. The Soviet journal *Socialist Labour* revealed in 1973 that the 1972 floating labour force in Soviet industry accounted for 20 per cent of the total, that is, some 6.5 million workers. Before being re-employed each worker usually lost 28 work days. That meant 780,000 persons did not work for a whole year. The figure would be much greater if floating manpower in the building and other sectors were included.

Below Minimum Standard of Living

The ruthless exploitation by the Soviet monopoly bureaucrat-capitalist class has made the life very hard for the working people. The revisionist chieftains and their journals have to admit that there are a considerable number of "families in economic difficulties" in the Soviet Union today. The Soviet journal *Socialist Labour* interprets the term "families in economic difficulties" as those whose per capita incomes are below the level required to "ensure the minimum standard of living."

These "families in economic difficulties" "involved 5 million people," TASS disclosed last November. It can be assumed that the figure is greatly watered down and that, in fact, the situation is far more serious. Soviet press reports estimate that such families make up some one-fifth of the urban population. The standard of living of a large number of "collective farm" members is far below that of low income urban workers and staff. According to disclosures in Soviet revisionist publications, the average monthly income (in cash and kind) of field workers in "collective farms" who use draught animals and engage in manual labour is far below the norm which, as the Soviet revisionists themselves proclaim, is "ensuring the minimum standard of material life." People in this category account for more than 50 per cent of all the members of the collective farms. In addition, among pensioners, including the aged, disabled and those without relatives to look after them, there are several million more whose pensions are also far below the defined minimum standard.

Inflation and soaring prices have brought more difficulties to working people in the lower income category. According to the obviously understated figures in the yearbooks of Soviet national economic statistics, state retail prices of meat and poultry rose 28 per cent in the 1960-73 period, animal oils 28 per cent and vegetables 23 per cent. In this period, the retail price of flour went up 48 per cent in Moscow's state-run shops, beef 33 per cent and cabbage 66 per cent. There also are concealed increases in prices of many goods.

The Soviet magazine *Communist* has to admit that some enterprises hoisted prices of goods on the ground of "changing designs and fashions of commodities" and other pretexts, impairing the material welfare of lower-income workers. Prices on the free market rocketed even faster. Free market retail food prices were 35 per cent higher than in the state-run market in 1960 and 63 per cent higher in 1972.

Rampant National Chauvinism

Living standards among the non-Russian working people in the Soviet Union are still lower owing to the great-Russian chauvinist policy of national oppression pursued by the Soviet revisionist renegade clique. *The Soviet Union and the Union Republics in 1973* disclosed that the average monthly wage of the workers and staff in most non-Russian republics is lower than that in the Russian Federative Republic. For instance, it is lower by 16 per cent in Byelorussia, 20 per cent in Georgia, and 21 per cent in Moldavia. The non-Russian republics are also discriminated against in consumer goods supply, housing, culture and education, and medical and health services. The 1973 *Yearbook of Soviet National Economic Statistics* revealed that the 1973 per capita retail sales of consumer goods in Uzbek, Azerbaijan and Tajik Republics were less than 60 per cent of those in the Russian Federative Republic. The number of doctors for every 10,000 people in the central Asian republics was one-third less than in the Russian Federative Republic.

Confronted with the stark reality of class oppression, the Soviet working people have experienced the evil consequences of capitalist restoration and seen clearly the reactionary nature of the Soviet revisionist renegade clique. "Our leaders and ordinary people belong to two different classes," a Soviet worker declared. Another Soviet citizen pointed to the truth of the matter when he noted: "Revisionism is the root cause of all the Soviet people's catastrophes today."

Soviet workers and peasants have engaged in various forms of resistance against exploitation by the monopoly bureaucrat-capitalist class. In recent years, workers' slowdowns and absenteeism have spread to every corner of the country. Mass strikes and demonstrations have taken place repeatedly in different parts of the Soviet Union. With the sharpening of the country's political and economic contradictions and the intensified oppression of the people by the Soviet revisionists, the people's struggle will develop further.

ROUND THE WORLD

LAOS

Ultra-Rightist Sabotage of Peace Frustrated

Sabotage of peace, oppression of the people, graft and embezzlement and creation of economic difficulties were denounced at a rally and a demonstration by tens of thousands of people against the ultra-Rightists in Vientiane on May 9. Strong demands were made for the immediate resignation of Minister for National Defence Sisouk Nachampassak and other ministers on the Vientiane side, and complete withdrawal of the U.S. Central Intelligence Agency from Laos.

The rally took place at a time when the Vientiane ultra-Rightists had sent troops to attack Salaphukun and other liberated areas and intensified their troop deployment for a new adventure.

According to a Radio Vientiane broadcast, Sisouk Nachampassak

resigned from his post of Minister of National Defence and War Veterans. Prime Minister Souvanna Phouma on May 11 appointed General Kham Ouane Bouppha to take over command of the Lao national armed forces.

To punish the ultra-Rightist troops for their military intrusion into the liberated areas, various Lao patriotic armed forces made counter-attacks. Many Vientiane troops including the 2nd multi-battalion unit of the 2nd division (Vang Pao troops), trainees in an officers training school at the Chinaimo army camp in the suburbs of Vientiane and troops stationed in Vang Vieng either staged uprisings or declared they had broken with Rightist control. A special force fostered and commanded directly by the C.I.A., Vang Pao troops have frequently attacked the liberated areas and sabotaged peace and national concord in Laos. They should have been disbanded long ago in accordance with the stipulations of the Vientiane agreement. The 2nd multi-battalion unit of the 2nd division includes 3 infantry battalions, artillery units and a tank convoy.

Many military units of the Vientiane side, including the Vientiane command of the armoured forces and all officers and men of the first, second, third, fourth and fifth armoured battalions under its command, and the Vientiane gendarmery rose up and declared themselves under the command of the Provisional National Union Government. These units issued separate statements declar-

ing their refusal to carry out orders of the reactionary clique and complete support for the Provisional National Union Government with Prince Souvanna Phouma as Prime Minister and the National Coalition Political Council with Prince Souphanouvong as Chairman.

A ceremony was held in Vientiane to mark the National Day of Laos on May 11. Speaking at the ceremony, Prince Souvanna Phouma, Prime Minister of the Provisional National Union Government of Laos, said: "A new situation has arisen and will continue to develop vigorously. We must see it through and stand ready to seek a path forward in keeping with future historic development."

Commenting on the development of the situation, the *News of Pathet Lao* pointed out: Great changes have taken place in the situation in Indochina and in Laos. The time has arrived for the patriotic Lao people to take firm hold of their country's destiny and for the U.S. lackeys and ultra-Rightists who undermine peace to be defeated and meet their doom. U.S. imperialism and the ultra-Rightist reactionaries can no longer do what they please. If the ultra-Rightists obdurately continue their treacherous activities, the people who cherish peace and national concord will unite to eliminate them completely.

PORTUGAL

Constituent Assembly Elections

Portugal had national elections on April 25 to choose a 247-man Constituent Assembly that will draw up a new constitution.

The elections were held on the first anniversary of the military coup d'etat which overthrew the fascist regime on April 25, 1974.

According to almost complete returns, of the 12 parties participating



in the elections, the Socialist Party ranked first by winning 38 per cent of the votes and the Popular Democrats (P.P.D.) was second by securing 26 per cent.

Before the elections, a programme — The Platform on the Constitution Between the Armed Forces Movement and Political Parties — which would be effective in a transitional period of three to five years was proposed by the ruling Revolutionary Council of the Portuguese Armed Forces Movement to all political parties participating in the elections. It was proposed that articles of the programme would be included in the future constitution.

Two weeks before the elections, the programme was signed by six of the 12 parties taking part in the elections (including the four main political parties in the present provisional government). Detailed provisions of "the functions and composition of the future organ of power" were set forth in this document. According to these provisions, the highest political power in Portugal would be held by the Revolutionary

Council of the Armed Forces Movement in the "transitional period" of three to five years; the Armed Forces Movement will be "systemized," the Revolutionary Council of the Armed Forces Movement and the Armed Forces Movement Assembly composed of 240 representatives of the armed forces will exist as "permanent" organs.

The Revolutionary Council was formed on March 11, 1975 after a military coup to overthrow the existing regime was frustrated. It took on the functions carried out for nearly a year by the Council of State of Portugal, the Junta of Salvation of the Armed Forces Movement and the Council of the Chiefs of Staff of the Services of the Armed Forces.

"NUOVA UNITA" (ITALY)

Soviet Union — Principal Danger to Peace in Europe

Soviet social-imperialism is the "principal danger to peace in Europe" said *Nuova Unità*, organ of the Communist Party of Italy

(Marxist-Leninist), in an article on April 29.

The article said: "The contradictions between the two superpowers and their endless contention for our continent are becoming more and more acute. The growing strength of their troops and fleets and the increase in the number of their weapons in European territories and on the seas around Europe are threatening. The European countries are confronted with intensified interference and pressure."

It said the stationing of massive Soviet troops in foreign countries "is aimed at contending as a genuine imperialist power for world hegemony with another superpower, the United States." Europe with its strategic position and economic wealth has become the "centre in the new Soviet imperialist elements' ambition for domination." Both the United States and the Soviet Union are concentrating their military forces on Europe.

"Soviet hegemonic ambitions in the Balkans have become ever more obvious," the article said.

(Continued from p. 14.)

owning class, establish and consolidate the dictatorship of the bourgeoisie and develop the capitalist relations of production. Catering to the political needs of the bourgeoisie during this period and expounding the inevitable replacement of feudalism by capitalism and the feudal land-owning class' rule by the bourgeoisie's rule, the bourgeois historians described the historical development of class struggle and the bourgeois economists made an economic analysis of the various classes. The theory of class struggle as set forth by these scholars was, in essence, aimed at defending the capitalist system. Therefore, when the contradictions between the proletariat and the bourgeoisie became increasingly acute, they invariably negated the inevitability of the contradictions and struggle between the two classes.

Since the bourgeois scholars' theory of class struggle was based on historical idealism, they did not understand that the existence of classes is a historical phenomenon, which is bound up with particular historical phases in the development of production and is determined by the development of production. They

negated the necessity of class struggle in capitalist society and the necessity of the struggle of the proletariat against the bourgeoisie, and they could not correctly understand that class struggle is the motive force of the historical development of society since the disintegration of primitive society and could not discover the objective law governing the development of class struggle.

Marx said: "No credit is due to me for discovering the existence of classes in modern society, nor yet the struggle between them." "What I did that was new was to prove: 1) that the existence of classes is only bound up with particular historical phases in the development of production, 2) that the class struggle necessarily leads to the dictatorship of the proletariat, 3) that this dictatorship itself only constitutes the transition to the abolition of all classes and to a classless society." In *The State and Revolution*, Lenin pointed out: "In these words Marx succeeded in expressing with striking clarity, firstly, the chief and radical difference between his teaching and that of the foremost and most profound thinkers of the bourgeoisie; and, secondly, the essence of his teaching on the state."

ON THE HOME FRONT

Neighbourhood Factories

TO push ahead industrialization, China encourages and supports urban inhabitants to set up small neighbourhood factories collectively to complement big enterprises built with state investments. An example is the neighbourhood factories in northeast China's Changchun city which last year produced twice as much in terms of value as the city's entire industry did in 1949 when China was liberated.

A medium-sized city, Changchun now has upwards of 500 such factories with some 40,000 workers, over 85 per cent former housewives.

They make about one thousand products, including machine tools, auto parts, chemical fertilizers, transformers, electric motors, tractor parts, daily necessities as well as high-frequency electrostatic cleaners, ultrasonic film developers and portable electrostatic cinemas, which the city could not produce before.

Like those in other cities, Changchun's neighbourhood factories were established by the inhabitants on their own initiative as part of their contribution to building socialism. They asked for little or no state investment. In the initial stage, the people raised funds on their own. They took their own tools to their factories, converted houses into workshops and acquired technical know-how through work. They started with simple equipment and indigenous methods and then gradually improved the equipment and employed modern methods of production. The founders were at the same time administrators and workers in their factories. Some of the housewives even temporarily declined wages until production was sufficiently developed. An auto parts factory, originally set up by seven housewives, now has more than 300 workers and staff members. It has been enlarged to a 3,000-square-

metre factory and can turn out nine different auto parts.

Initially the neighbourhood factories got enthusiastic help from state-run big enterprises, which supplied them with replaced equipment, sent skilled workers to train the housewives or invited them in to learn technical know-how. Some big plants have arranged for the small factories to process parts for them. Another auto parts factory, when it was set up in 1966, got 20 machine tools from the state-run Changchun Motor Vehicle Plant, thus laying a foundation for its equipment. It has enjoyed the plant's technical assistance ever since. This year, the factory has developed into one with over 600 workers as against 100 at the beginning, and is making a set of 13 repair tools needed for every vehicle.

Started as collectively owned units under the leadership of residents' committees, suburban people's communes or the city's district revolutionary committees, some neighbourhood factories have switched to becoming state-run enterprises under the city administration with the expansion of production.

Burgeoning neighbourhood factories have daily increased their role in co-operating with large enterprises. They supply some 28 main parts for a type of light truck that went into serial production at the Changchun Motor Vehicle Plant this year.

Transforming Red Soil

GREAT attention is paid to reclaiming and improving red soil in southern China. Barren hills covered by red soil have been turned into large tracts of cropland, tea groves, orchards or rubber plantations.

Red soil areas in our country are mainly in the rolling hilly and mountainous areas in 11 provinces and regions south of the Yangtze River, including Hunan, Kiangsi, Kwangsi, Yunnan and Szechuan.

They cover 41.7 per cent of the land there and more than 8 million hectares of red soil have already been utilized and transformed.

This soil is characterized by acidity, with a small amount of nitrogen and phosphorus and little organic matter; it crusts easily and cannot hold enough water and fertilizer. Bourgeois pedologists called red soil areas "red deserts" and believed it was impossible to grow any crops on such soil and that it could not be transformed.

After Chairman Mao issued the great call "In agriculture, learn from Tachai" in 1964, especially after the Great Proletarian Cultural Revolution began in 1966, commune members and agro-technicians worked hard to reclaim and transform red soil. After repeated experiment they worked out many effective methods for turning once simple soil-amelioration into comprehensive management of mountains, waters, cropland and overall development of agriculture, forestry and animal husbandry on such soil. Grain crops and cotton, oil-bearing and other cash crops can be grown on the transformed soil and large tracts of stable high-yielding land have been built up.

In Kiangsi Province's Chinghsien County, a well-known low-yielding county in the past, red soil accounts for 99 per cent of the farmland and barren mountains. Learning from the Tachai Production Brigade, the pacesetter on our country's agriculture front, commune members tackled the problem of comprehensive management of mountains, rivers and cropland. Grain yields for the whole county have risen yearly for over a decade now. Total grain output in 1974 doubled that before the soil transformation started; cotton increased 3.5 times.

For large-scale red soil improvement and utilization, the masses in many places were mobilized to make a general survey of the soil. Long-range programmes were mapped out with concrete measures for different stages that ensured the transformation. Red soil improvement in Ching-

hsien County in Fukien Province on the southeast coast resulted in a 20 to 30 per cent grain output rise.

Rapid Progress in Hydrology Work

UNDER the guidance of the principle of "maintaining independence and keeping the initiative in our own hands and relying on our own efforts," China's hydrology work has made tremendous progress. Hydrometric stations have been built along the banks of rivers, lakes and reservoirs and where hydro-power stations are located. By 1974 there were about 10,000 state-run hydrometric stations of different types, even more numerous are other stations, such as rain gauge stations, that are run by people's communes and production brigades. The number of hydrometric stations in Peking alone exceeds the total figure in pre-liberation China. State hydrometric stations nowadays work together with stations run by the masses, with the former playing the main role and the latter a supplementary one. Thus a comparatively complete nationwide network of hydrological stations to observe and report changes in hydrological conditions has been formed.

Work on hydrological information was a weak link before liberation and no hydrological forecasts were made at all. Since liberation, hydrological departments at various levels and numerous hydrometric stations have issued forecasts which hydrological departments failed to do before liberation. During flood periods, anti-flood organizations under the central authorities and in the various provinces, municipalities and autonomous regions as well as in the Yangtze River, Huai River and Yellow River basins can make timely forecasts on the basis of the actual rainfall and hydrological conditions in different localities. Some can even forecast the probable volume of precipitation in each commune so that appropriate measures can be taken against flood. The Yi and Shu Rivers, both tributaries of the Huai, caused exceptionally big floods last



Members of a hydro-geological team surveying the outlet of a subterranean river together with a commune member in Kwangsi.

year. Thanks to the prompt and correct forecasts by the various hydrometric stations along these rivers, the local people were organized in time to combat the floods successfully.

In combination with the planning and development of major river basins, Chinese hydrologists have conducted a systematic study and analysis of the formation conditions of runoff of the Yangtze, Yellow, Huai, Haiho, Sunghua and Pearl Rivers, the variation characteristics of high and low water in different years and the magnitude of drought and flood. They have been able to provide much data on hydrology after observing and studying the characteristics of sediment movement on the Yellow River, the Yungting River in the Peking-Tientsin area and other rivers containing much sediment.

Working in co-ordination with large-scale water conservancy construction, hydrologists have, after analysing a great amount of hydrological data and summarizing the practical experience gained in various places, gradually worked out methods for hydrological computation suitable to the characteristics of China's rivers.

Many hydrometric stations have organized hydrological investigations and itinerant observations to make the data more systematic and com-

plete so as to better serve industry and farming.

Preservation of Valuable Wildlife

ABUNDANT in wildlife of every description, the luxuriant forests in Szechuan are the native habitat of pandas, giant pandas, golden monkeys, addaxes, deer and many other rare animals with considerable economic value, all of which are prized by zoos and as objects for scientific research.

In line with the State Council's principle of paying attention simultaneously to "preservation, raising and hunting," the province has taken effective measures to preserve wildlife and provide rare animals with favourable living and propagation conditions. Five natural preservation zones, where poaching, deforestation, grazing and reclamation are strictly prohibited, were fenced off under the control of the zones' management offices.

While the masses are mobilized for preservation of valuable animals, related departments in Szechuan also do wildlife raising and domestication. Szechuan now owns five state-managed deer and musk-deer farms, where a total of 2,000 head are being reared. Developments also have been registered in deer-raising in people's communes of a dozen counties.

Radio Peking

Schedule for English language transmissions
beginning April 20, 1975

	GMT	Local Standard Time		Metre Bands	Kc/s
NORTH AMERICA (EAST COAST)	00:00-01:00	19:00-20:00	(E.S.T.)	25, 19, 16	11945, 15060, 17673
	01:00-02:00	20:00-21:00	(E.S.T.)	42, 30, 25, 19, 16	7120, 9780, 11945, 15060, 17855
	02:00-03:00	21:00-22:00	(E.S.T.)	25, 19, 16	11675, 15060, 17855
	03:00-04:00	22:00-23:00	(E.S.T.)	42, 30	7120, 9780
	12:00-13:00	07:00-08:00	(E.S.T.)	25	11685
NORTH AMERICA (WEST COAST)	03:00-04:00	19:00-20:00	(P.S.T.)	19, 16	15060, 15385, 17735, 17855
	04:00-05:00	20:00-21:00	(P.S.T.)	19, 16	15060, 15385, 17735, 17855
AUSTRALIA AND NEW ZEALAND	08:30-09:30	18:30-19:30 20:30-21:30	(Aust. S.T.) (N.Z.S.T.)	31, 25, 19	9460, 11600, 11720, 15060, 15435
	09:30-10:30	19:30-20:30 21:30-22:30	(Aust. S.T.) (N.Z.S.T.)	31, 25, 19	9460, 11600, 11720, 15060, 15435
SOUTHEAST ASIA	12:00-13:00	19:00-20:00	(Western Indonesia, Bangkok)	47, 32, 25, 19	6290, 9290, 11650, 15270
		19:30-20:30	(Singapore)		
		20:00-21:00	(Saigon, Manila)		
		18:30-19:30	(Rangoon)		
	13:00-14:00	20:00-21:00	(Western Indonesia, Bangkok)	47, 32, 25, 19	6290, 9290, 11650, 15270
		20:30-21:30	(Singapore)		
		21:00-22:00	(Saigon, Manila)		
		19:30-20:30	(Rangoon)		
SOUTH ASIA	14:00-15:00	19:30-20:30	(Delhi, Colombo)	41, 30, 19	7315, 9860, 15095
		19:00-20:00	(Rawalpindi)		
		20:00-21:00	(Dacca)		
		19:40-20:40	(Kathmandu)		
	15:00-16:00	20:30-21:30	(Delhi, Colombo)	41, 30, 19	7315, 9860, 15095
		20:00-21:00	(Rawalpindi)		
		21:00-22:00	(Dacca)		
		20:40-21:40	(Kathmandu)		
EAST AND SOUTH AFRICA	18:00-19:00	23:30-00:30	(Delhi)	247	1210
	16:00-17:00	18:00-19:00	(Cape Town, Salisbury)	30, 19	9860, 15095
		19:00-20:00	(Dar-es-Salaam)		
	17:00-18:00	19:00-20:00	(Cape Town, Salisbury)	30, 19	9860, 15095
		20:00-21:00	(Dar-es-Salaam)		
	19:30-20:30	18:45-19:45 19:30-20:30 20:30-21:30 21:30-22:30	(Monrovia) (Accra, Freetown) (Lagos) (Cairo)	39, 31, 25	7620, 9470, 11695
WEST AND NORTH AFRICA	20:30-21:30	19:45-20:45 20:30-21:30 21:30-22:30 22:30-23:30	(Monrovia) (Accra, Freetown) (Lagos) (Cairo)	39, 31, 25	7620, 9470, 11695
		20:30-21:30	(Accra, Freetown)	43, 39, 25	6860, 7590, 11675
		21:30-22:30	(Lagos)		
EUROPE	20:30-21:30	21:30-22:30	(London, Stockholm, Paris)	43, 39, 25	6860, 7590, 11675
	21:30-22:30	22:30-23:30	(London, Stockholm, Paris)	43, 33, 25	6860, 9030, 11675